



For Immediate Release
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Contact: Carol Guthrie (Baucus)
Jill Gerber (Grassley)
(202) 224-4515

**JUSTICE DEPARTMENT FAILS IN EFFORT TO BLOCK
CONGRESSIONAL TESTIMONY ON IDENTITY THEFT, TAX FRAUD**

*Motion would have kept witness convicted of scamming American taxpayers
from testifying at Finance Committee's Thursday hearing on tax filing season*

Washington, DC – Following a hearing in U.S. District Court this afternoon, Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Republican Chuck Grassley (R-Iowa) announced that the Justice Department has failed in its effort to keep a witness from appearing at a Thursday hearing of the Senate Finance Committee. The Finance Committee last week obtained judicial approval to call a witness convicted of various crimes including identity theft and tax fraud, as a witness at its annual hearing on the tax filing season and challenges taxpayers face. Late yesterday, the Department of Justice filed a motion to quash the Finance Committee's summons for the witness's testimony. Judge Thomas F. Hogan today affirmed the Committee's right to call the witness – who is now expected to testify as planned, to help the Committee understand how as many as 15,000 American taxpayers may have fallen victim to identity theft tax crimes last year.

"I'm baffled as to why the Department of Justice would try to stop Congress from alerting Americans fully to the problem of identity theft and tax fraud," said Baucus. **"We have called this witness to help taxpayers understand how criminals can prey on them at tax time. The Justice Department didn't articulate any legitimate reason for standing in the way of Congress's oversight responsibilities. It appears they just wanted to stop the Finance Committee from holding a hearing as we see fit."**

Grassley said, **"It's hard to see how the Justice Department's legal fight served the public. This legal battle tied up Justice Department attorneys whose time could have been better spent. Surely, the Justice Department has better things to do than waste precious resources interfering with a congressional hearing that ironically will highlight their good work convicting a tax-scamming con artist."**

Visit the Finance Committee website at <http://finance.senate.gov/sitepages/baucus.htm> to view the Finance Committee's writ of habeas corpus for the witness to appear before the Committee, and the Justice Department's motion to quash.

Additional witnesses at Thursday's hearing, to be held at 10:00 a.m. in Room G-50 of the Dirksen Senate Office Building, will include Mark W. Everson, Commissioner of the IRS. Everson will also update the panel on the IRS response to last year's GAO study finding widespread problems and errors in the paid preparer industry, and on implementation of the telephone tax refund. Other witnesses include Eileen J. O'Connor, Assistant Attorney General for the Tax Division, Department of Justice (DOJ); Michael Phillips, Deputy Inspector General for Audit, Treasury Inspector General for Tax Administration (TIGTA); and James White, Director, Tax Issues, Government Accountability Office (GAO).